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COPY NO. 12

NATIONAL SECURITY COUNCIL

STATUS OF PROJECTS

as of

October 17, 1949

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NATIONAL SECURITY COUNCIL

STATUS OF PROJECTS

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1. COMPLETED PROJECTS

(October 4, 1949 - October 17, 1949)

PROGRESS REPORT TO NSC ON NSC 50, SECTION 6,
"ORGANIZATION OF CIA"

(See Memo for NSC from Executive Secretary, subject,
"The Central Intelligence Agency and National Organiza-
tion for Intelligence", dated October 10, 1949. See
also Section 5)

NSC 47/2 UNITED STATES POLICY TOWARD ISRAEL AND THE ARAB STATES
(See NSC Action No. 253)

2. PROJECTS UNDER CONSIDERATION BY THE NSC

THE POSITION OF THE UNITED STATES WITH RESPECT TO FORMOSA
(NSC 37/8)

Report by the Acting Secretary of State scheduled for consideration as Item 1 on the agenda of the 47th Meeting of the Council, October 20. (See also Section 4, subpara. f. of the first item).

THE AUSTRIAN TREATY NEGOTIATIONS
(PROGRESS REPORT ON THE IMPLEMENTATION OF NSC 38, 38/1, 38/2)

Progress report by the Department of State circulated for information of the Council and scheduled as Item 2 on the agenda for the 47th Council Meeting, October 20, for consideration of the U. S. position with respect to the subject negotiations. (See also Sections 3 and 5)

BRITISH VIEWS RESPECTING HONG KONG
(NSC 55/1 and 55/2; Memo for NSC from Executive Secretary, same subject, dated October 17, 1949)

Report by the Acting Secretary of State (NSC 55/1) circulated for the information of Council members. Scheduled as Item 3 for discussion on the agenda of the 47th Council Meeting, October 20, together with the views of the Joint Chiefs of Staff (NSC 55/2).

UNITED STATES POLICY TOWARD THE SOVIET SATELLITE STATES IN EASTERN EUROPE
(NSC 58)

Report by the Department of State circulated for the information of Council members. Request by Department of Defense that this report be referred to NSC Staff for study and preparation of report for NSC consideration, being considered by Department of State.

SECURITY OF INFORMATION ON INTELLIGENCE SOURCES AND METHODS
(Memos for NSC from Executive Secretary, same subject, dated August 11 and 31, and October 6, 1949)

Proposed National Security Council Intelligence Directive on above subject submitted by the Director of Central Intelligence pursuant to par. 7 of NSC 50 (NSC Action No. 237d). Action requested by reference memo dated August 31. Approved by NSRB, Sept. 6; and by the Attorney General, Sept. 24. Additional paragraph proposed by

UNDER CONSIDERATION BY NSC (Cont'd)

UNITED STATES POLICY TOWARD THE SOVIET SATELLITE STATES IN
EASTERN EUROPE (Cont'd)

the Acting Secretary of State circulated for consideration by the other NSC members, the Secretary of the Treasury and the Attorney General by memo dated October 6, 1949. Approved by NSRB, October 12. Awaiting action by other Council members, the Secretary of the Treasury and the Attorney General.

AVOIDANCE OF PUBLICITY CONCERNING THE INTELLIGENCE AGENCIES OF THE
U. S. GOVERNMENT

(Memos for NSC from Executive Secretary, same subject, dated August 18 and 31, and October 6, 1949)

Proposed National Security Council Intelligence Directive on above subject submitted by the Director of Central Intelligence pursuant to par. 7 of NSC 50 (NSC Action No. 237d). Action requested by reference memo dated August 31. Approved by NSRB, Sept. 6; and by the Attorney General, Sept. 24. Additional paragraph proposed by the Acting Secretary of State circulated for consideration by the other Council members, the Attorney General, and the Secretary of the Treasury, by memo dated October 6. Approved by NSRB, October 12. Awaiting action by other Council members, the Secretary of the Treasury and the Attorney General.

GENERAL PRINCIPLES GOVERNING THE CONDUCT OF OVERT PSYCHOLOGICAL
WARFARE IN THE INITIAL STAGES OF WAR OR EMERGENCY

(NSC 43/1; Memo for NSC from Executive Secretary, same subject, dated September 7, 1949)

Report by the Secretary of State, prepared by the organization established within the Department of State pursuant to par. 1 of NSC 43, and concurred in by the policy consultants designated pursuant to par. 2b of NSC 43, submitted for consideration by the Council. Concurred in by Treasury, August 4; by NSRB, August 15. Revisions proposed by the Secretary of Defense were submitted to the other Council members and the Secretary of the Treasury on September 7 for consideration. Approved by Treasury, Sept. 8. Awaiting action by other Council members.

UNDER CONSIDERATION BY NSC (Cont'd)

MEASURES REQUIRED TO ACHIEVE U. S. OBJECTIVES WITH RESPECT TO THE USSR

(Ref. NSC 20/4; NSC 35; Memos for NSC from Executive Secretary, same subject, dated May 25 and June 21, 1949; Memo for Consultants from Executive Secretary, same subject, dated March 30, 1949)

On the basis of the statement of U. S. risks and objectives with respect to the USSR (NSC 20/4) as adopted by the Council and approved by the President, the Staff drafted specific measures required to achieve those objectives, pursuant to NSC Action No. 88-b. In this connection, the Staff considered the views of the JCS on military commitments, which were circulated as NSC 35 for Council information and Staff use. Staff draft report presented to Consultants January 11. Referred back to Staff for revisions in the light of the discussion at the Consultants' meeting on January 17. Staff request that JCS views on "military readiness" be obtained for use in completing final draft of report was transmitted to the Secretary of Defense, January 19. JCS views incorporated by the NSC Staff in a draft report submitted to the Consultants by memo dated March 30. Concurred in by Navy and NSRB, April 1; by Air Force, April 5; by Army, April 12. State recommendations regarding this project submitted by memo dated May 25 to Council. Defense proposal with respect to State recommendations submitted to the Council for consideration by memo dated June 21. To be scheduled for consideration at a forthcoming Council meeting.

3. PROJECTS UNDER CONSIDERATION BY THE NSC CONSULTANTS

PLANNING FOR LIMITED JAPANESE ARMED FORCES

(NSC 44 and memo for NSC from Executive Secretary, subject: "Limited Military Armament for Japan", dated March 11, 1949; Memo for Consultants from Executive Secretary, above subject, dated April 27, 1949)

Study by the Department of the Army, "Limited Military Armament for Japan", and comments thereon by General MacArthur and the JCS, referred by the Secretary of Defense for examination by the NSC Staff with a view to preparing possible amendments to NSC 13/3 for Council consideration. Draft report submitted to the Consultants, April 27. Concurred in by Defense and Navy, May 3; by Army, May 5; by NSRB, May 7; by Air, May 9. Awaiting action by State, pending the results of informal consultation between State and Defense.

FUTURE COURSE OF U. S. ACTION WITH RESPECT TO AUSTRIA

(NSC 38/2; NSC 38/1; Memo for NSC Consultants from Executive Secretary, same subject, dated October 4)

Report by the Secretary of Defense (NSC 38/1) circulated June 16 to the Council for information and referred to the Department of State in accord with the recommendations of the Secretary of Defense that the Department of State present, as a matter of urgency, its views on the issues involved in a future course of U. S. action with respect to Austria. Report by the Secretary of State in reply (NSC 38/2) was considered by the NSC at its 43rd meeting. The Council referred both reports (NSC 38/1 and 38/2) to the NSC Staff for use in the preparation of a study of the nature and timing of possible courses of action available to the U. S. with respect to Austria. Staff draft submitted to Consultants by memo dated October 4. Awaiting action by all Consultants. (See also Sections 2 and 5)

4. PROJECTS IN PREPARATION BY NSC STAFF

U. S. POLICY TOWARD ASIA

(NSC 48; Memos for NSC from Executive Secretary, "Appraisal of U. S. National Interests in South Asia", dated June 2 and 17, 1949; NSC 49; NSC 51; NSC 55; NSC 37/6; NSC 37/7; Memo for NSC from Executive Secretary, same subject, dated September 9.)

A request by the Secretary of Defense (NSC 48) for a study of the current situation in Asia was circulated on June 10 for the information of the Council and referred to the NSC Staff for the preparation of a report for Council consideration. The following reports have been referred to the NSC Staff for consideration in connection with the preparation of the report requested by NSC 48:

- a. SANACC 360/14, "Appraisal of U. S. Interests in South Asia" (memo of June 2), together with amendments proposed by the Secretary of Defense (memo of June 17).
- b. "Implications of a Possible Full-Scale Invasion from North Korea Subsequent to Withdrawal of U. S. Troops from Korea". Staff study prepared in the Department of the Army, forwarded by the Secretary of the Army on June 30, together with JCS comments thereon.
- c. NSC 49, "Current Strategic Evaluation of U. S. Security Needs in Japan". Report by the JCS furnished by the Secretary of Defense pursuant to questions raised by the Acting Secretary of State in connection with the State Department study of the present adequacy of NSC 13/3. Comments by the Department of State on NSC 49 circulated as NSC 49/1 for the information of Council members on October 4.
- d. NSC 51, "U. S. Policy Toward Southeast Asia". Report by the Secretary of State.
- e. NSC 55, "Implications of a Possible Chinese Communist Attack on Foreign Colonies in South China". Report by the JCS, forwarded by the Secretary of Defense.
- f. NSC 37/6, "Current Position of the U. S. with Respect to Formosa", and NSC 37/7, "The Position of the U. S. with respect to Formosa". Report by the Secretary of State (NSC 37/6) and the views of the JCS (NSC 37/7) which were obtained by the Secretary of Defense pursuant to recommendation by the Secretary of State in NSC 37/6. (See also Section 2).

IN PREPARATION BY NSC STAFF (Cont'd)

U. S. POLICY TOWARD ASIA (Cont'd)

Staff has prepared and considered drafts dealing with the various aspects of the problem. A complete draft report by the Staff is now under study in the respective departments and agency. Pursuant to the request of the Secretary of Defense by memo of September 9, this project is being treated as a matter of priority. Awaiting final Staff study.

U. S. POLICY CONCERNING MILITARY COLLABORATION UNDER THE INTER-AMERICAN TREATY OF RECIPROCAL ASSISTANCE
(NSC 56)

Report by the Secretary of Defense, including a draft NSC report on the subject and an interim directive to the Chairman of the U. S. Delegation, Inter-American Defense Board, circulated to the Council for information and referred to the NSC Staff for use in the preparation of a report for Council consideration. Initial draft being prepared by State. Awaiting Staff report.

ANALYSIS OF POSSIBLE U. S. ASSUMPTION OF BRITISH MILITARY COMMITMENTS

Upon the informal suggestion of the Department of State, the NSC Staff initiated, on September 22, an analysis to show which British military commitments we might have to take over if the British gave them up and the possible cost to us. Initial draft being prepared by Defense. CIA Intelligence Memorandum No. 235 on "Britain's Overseas Military Commitments", furnished to Staff October 13, for consideration in connection with the subject. Awaiting Staff study.

5. OTHER CURRENT PROJECTS

U. S. POLICY TOWARD GERMANY (NSC Action No. 176)

The NSC Sub-committee on Germany, established by NSC Action No. 176, met initially on January 28, 1949, pursuant to the reference action, approved a procedure for its activities and designated representatives as a Steering Group. It was agreed that the Department of State would prepare for consideration by the Steering Group the first draft of a restatement of our policy toward Germany, and that the Steering Group should undertake concurrently the preparation of position papers on the following problems, the first four of which should have priority over the remainder:

1. Occupation Statute for Western Germany
2. Trizonal Fusion Agreement
3. German Constitution
4. Ruhr Control Plan
5. Prohibited and Restricted Industries
6. Reparations
7. Western Germany's Long Range Economic Program
(GARIOA and ECA)
8. Western Berlin Currency Situation

The Steering Group held 15 meetings to March 30, 1949 at which the above subjects were discussed. These discussions were reflected in position papers on Germany presented to the President by the Secretary of State on March 31, 1949 preparatory to the meeting of the Foreign Ministers of the United Kingdom, France and the United States held in Washington. Subsequent to this meeting, the position papers, noted above, prepared by the Department of State, and the Agreements reached by the three Foreign Ministers on April 8, 1949, were circulated to the NSC Members by memoranda from the Executive Secretary, subject "The Position of the U. S. with respect to Germany", dated April 28 and 29, 1949, respectively. These were noted by the Council at its 39th Meeting on May 5 (NSC Action No. 212). Preparatory to the Sixth Meeting of the Council of Foreign Ministers in Paris, May 23 to June 20, 1949, the NSC discussed the position of the U. S. with respect to Germany in the light of the paper by the Secretary of State circulated to Council Members by a memo from the Executive Secretary, dated May 16, 1949 (NSC Action No. 215).

Awaiting first draft from the Department of State of a report on U. S. policy toward Germany.

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OTHER CURRENT PROJECTS (Cont'd)

THE CENTRAL INTELLIGENCE AGENCY AND NATIONAL ORGANIZATION FOR INTELLIGENCE

(NSC Actions Nos. 231 and 237; NSC 50)

NSC Action No. 231, as amended by NSC Action No. 237d., calls for submission within a period of 6 months by the Director of Central Intelligence, in addition to those reports already submitted, a progress report on particular intelligence questions requiring coordination or attention (paragraph 4a of NSC 50). Awaiting above report by the Director of Central Intelligence. (See also Sections 1 and 2).

STUDY OF CHENNAULT PLAN BY JOINT CHIEFS OF STAFF

(Memo for Secretary of Defense from Executive Secretary, same subject, dated August 25, 1949)

In accordance with the reference memo on the subject by the Under Secretary of State, the views of the appropriate agencies of the Department of Defense along the lines set forth in the Under Secretary's memo were requested for the National Security Council. Awaiting report by the Secretary of Defense.

REQUEST FOR JOINT CHIEFS OF STAFF VIEWS ON FUTURE COURSES OF UNITED STATES ACTION WITH RESPECT TO AUSTRIA

(Memo for Secretary of Defense from Executive Secretary, same subject, dated September 26, 1949, ref. NSC 38 Series)

The JCS have been requested to furnish their views on certain aspects of the future courses of U. S. action with respect to Austria which the NSC Staff is now considering. These views are for the information and consideration of the National Security Council in connection with the NSC 38 Series. (See also Sections 2 and 3).

6. DEFERRED PROJECTS

NATIONAL SECURITY OBJECTIVES OF THE UNITED STATES

Study initiated by NSC Staff December 2, 1947 as a long-term project. First draft issued February 25, 1948. Further consideration subsequently deferred until after NSC action on the NSC 20 and 35 Series. Awaiting completion of a study on this subject being prepared by the Department of State as a long-term project.

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